

**MINUTES OF THE
PUBLIC EDUCATION APPROPRIATIONS SUBCOMMITTEE**

Room 445 Capital State Capitol Complex

February 5, 2016

Members Present: Sen. Howard A. Stephenson, Senate Co-Chair
Rep. Steve Eliason, House Co-Chair
Rep. Michael S. Kennedy, House Vice Chair
Sen. J. Stuart Adams
Sen. Lyle W. Hillyard
Sen. Jani Iwamoto
Sen. Daniel W. Thatcher
Sen. Stephen H. Urquhart
Rep. Joel K. Briscoe
Rep. LaVar Christensen
Rep. Bruce Cutler
Rep. Rebecca P. Edwards
Rep. Justin L. Fawson
Rep. Bradley G. Last
Rep. David E. Lifferth
Rep. Marie H. Poulson
Rep. Kraig Powell
Rep. Norm Thurston

Members Absent: Rep. Francis D. Gibson

Staff Present: Mr. Ben Leishman, Fiscal Analyst
Ms. Jill Curry, Fiscal Analyst
Ms. Lori Brinkerhoff, Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at www.le.utah.gov.

1. Call to Order

Co-Chair Stephenson called the meeting to order at 8:15 a.m.

2. Follow-up Items from February 3, 2016

Mr. Scott Jones, Associate Superintendent, Utah State Office of Education presented the [Statewide Online Education Program](#). He discussed an analysis of the current situation, the sources of funding, and an analysis of the mandate that no more than 15 percent of the funding being used for administrative costs. He discussed some possible alternatives.

Rep. Briscoe asked for clarification regarding the current 25 percent administration costs. Mr. Jones gave information about the two FTE programmers involved in the project. Rep. Briscoe expressed concern about the \$632,000 that was allocated to Juan Diego High School in the vote taken last Friday.

Sen. Adams gave his support for the continuation of the online program. He mentioned the tremendous increase in charter schools.

Rep. Lifferth expressed concern that 95 percent of the online resources are being consumed by a single school. He asked if there was a way to make sure the funding is proportionately distributed throughout the state. Co-Chair Stephenson mentioned his support of the statewide program. He said the intent of the legislation was to ensure that that every child in the state had access to these online programs, whether in private, charter, or home school situations. Rep. Lifferth asked if every student in the state who wanted to participate was able to participate. Mr. Jones answered that any student in the state had the ability to utilize the online program. They did have such an increase in enrollment that they would exceed the available funding which is why the issue was being raised.

Rep. Last expressed concern that if students enrolled in other private schools started to enroll at the same rate, there could be a crisis. Mr. Jones said that USOE concurs with that concern and said that going forward there should be some policy controls regarding these issues.

Sen. Iwamoto voiced her concern about allocating monies to provide online programs for private schools if this funding is taken away from public education. Co-Chair Stephenson reported that other states allow national online providers to directly offer these courses. He said there is more local control and supervision because online programs in Utah are offered through LEAs.

3. State Board of Education – Education Technology Master Plan

Mr. David Thomas, Vice-Chair, State Board of Education reported on the [SBOE Digital Teaching & Learning Grant Program](#) and discussed the task force involved. Co-Chair Stephenson mentioned that this program is now H.B. 277. He discussed the [Essential Elements for Technology Powered Learning](#) Master Plan and how it is a transformation of education. Mr. Thomas reviewed the data reflecting empirical evidence showing increases in student achievement. Mr. Thomas reviewed a qualifying grant program that would be applied statewide. Mr. Thomas indicated that many states are looking at Utah's model. He said that the appropriation request is one of the top funding priorities of the State Board.

Co-Chair Stephenson mentioned that where this program has been successfully implemented, it does not replace a classroom teacher or the importance of that interaction between a teacher and a student, but enhances that relationship. He said that it was essential to have visionary school boards, superintendents, principals and teachers to understand how to integrate the use of personalized learning in the classroom.

Sen. Hillyard supports moving this direction but voiced his concern to not punish districts that have already dedicated funds to technology and reward those that have not made this a priority. Mr. Thomas mentioned this was a concern for the task force who made the grant - a qualifying grant. He said that the grant would be based on an annual readiness assessment.

Sen. Hillyard mentioned that many parents had concern about access to the internet being very carefully controlled. Mr. Thomas mentioned that the master plan has an entire chapter about

digital citizenship. Most of the parameters will be determined by the LEAs. Sen. Hillyard asked Mr. Thomas to prepare a financial timeline, as well as how the program could be scaled back if the entire funding request was not available. Mr. Thomas indicated that they have moved away from a pilot program and would scale it to whatever money was appropriated. He will provide more information about this especially with respect to one-time and ongoing needs. They are aware that different LEAs are along a spectrum of readiness.

Sen. Hillyard asked the State Board to be very truthful in the reporting the use of the UTEN funds. Mr. Thomas indicated that the evaluation component would be completed by an independent entity.

Rep. Poulson said that as a past school teacher her experience in training regarding new technologies had not been positive. She asked how the proposed program would be different. Mr. Thomas indicated that they started the process asking the LEAs what they would need to have this program work. He explained the qualifying grant program.

Rep. Briscoe said that he wanted the bill to include an independent third-party evaluation. Mr. Thomas indicated that is included. He expressed concern about the charts if the purpose is to say that one is directly caused or related to the other. He felt this was inappropriate. He is concerned about equating access to information to becoming educated. He felt it very important to determine what knowledge had the most worth and why and what are the best ways of teaching and learning. He has many other concerns which he will address offline with Mr. Thomas.

Rep. Fawson asked how much of the request is for critical infrastructure versus devices or consumables. Mr. Thomas explained that the one-time money is for infrastructure and the portion of the ongoing that is for devices would be substantial, but the support and professional development are also ongoing. He said it would depend on the LEA's technology plan.

Rep. Christensen praised Mr. Thomas for the detail provided in the report. He expressed great concern when generalities are used when requesting funding. He wanted to ensure that schools are not just chasing technology in an abstract way. Mr. Thomas stated that the master plan is very detailed. He mentioned that the state board is in the process of promulgating rules. Each of the plans will be publicly available with a vetting process.

Co-Chair Stephenson was glad that this plan respects the choices of each LEA. He reminded committee members to study HB277 and its implementation as it is brought forward during the legislative session.

4. UETN School Technology Inventory Study.

Mr. Ray Timothy, Executive Director, UETN gave a [UETN Statewide School Inventory and Engineering Study Presentation](#) which reviewed data and charts found in the [UETN Utah School Technology Inventory](#) and the [UETN Engineering Study](#). He discussed the bandwidth utilization and the amount of data being transferred through the network that the schools are using. He discussed the tremendous increase in demand in the past three years.

Rep. Christensen asked Mr. Timothy for further clarification regarding the current capacity, infrastructure, and equipment and what the optimums would be with respect to the digital grant program. Mr. Timothy indicated that when a school reaches 80 percent of capacity, UETN will increase the bandwidth. They can do this on a short-term basis, but not long term. He answered that they are now at the ideal capacity; but this would have to be doubled when the grant program comes online.

Co-Chair Stephenson asked about bringing own devices. Mr. Timothy mentioned that their findings show that it is best to limit bringing own devices because of various unintended consequences.

Mr. Timothy continued with his presentation and discussed several recommendations. He specifically requested ongoing funding for UETN rather than one-time funding. In the past, this has been handled with one-time funding and he stated that this is obviously an ongoing use of technology funds.

Co-Chair Stephenson acknowledged the accuracy and depth of this report.

Rep. Kennedy asked Mr. Timothy about outreach for home school students and how services are distinguished from a commercial provider. Mr. Timothy answered that anything on the UETN website at www.uen.org is available and that UETN is a public/private partnership in statute.

There was discussion between Rep. Lifferth and Mr. Timothy regarding the use of Google Fiber.

Rep. Cutler will speak to Mr. Timothy offline about the reports in more detail. Co-Chair Stephenson asked Rep. Cutler to provide an evaluation to committee members.

5. State Charter School Board

Mr. Howard Headlee, Chair, Utah State Charter School Board, and Ms. Kristin Elinkowski, Vice Chair gave an overview of the progress that has been made in improving and governing changes being made in Charter Schools in the state of Utah. He mentioned the recent task force created to study some of the issues. Mr. Headlee thanked the committee for allocating funds to retain an attorney. He mentioned the [Charter School Local Replacement Timeline](#) and mentioned the [Charter School Local Replacement Diagram](#). He stated that S.B. 38 addresses some of these concerns.

Rep. Briscoe asked for clarification regarding the statistics involving educationally disadvantaged students. He stated that there is a great deal of confusion at the legislature regarding the funding difference between charter schools and public education students. Mr. Headlee stated that the task force did look at this issue. He stated that the funding numbers are very straight forward, but the reporting of expenditures is more complicated.

6. Governor's Budget Recommendations

Mr. Phil Dean, Deputy Budget Director, GOMB, expressed appreciation to the Legislature from the Governor's Office for the significant effort in education funding. He mentioned the current enrollment growth. He reviewed the Governor's goals and recommendations for FY17. He specifically mentioned the 4.75 percent increase in the WPU and over \$1 million for the USOE to begin addressing some of their accounting-type issues.

Sen. Hillyard asked if cost was assigned to the WPU. Mr. Dean and Mr. Leishman answered that it is about \$28 million. Sen. Hillyard asked for clarification regarding \$91 million for enrollment growth. Mr. Dean explained that if educator salary adjustment is added on this would be almost \$95 million.

Co-Chair Eliason asked when looking at the entire state budget and all of the parts of the budget and revised budget numbers, if the state budget was still in balance. Mr. Dean answered that the budget does balance to the revenues that are estimated through the consensus process.

Rep. Briscoe asked if all of the \$421 million increase for FY 2017 is coming out of the education fund. Mr. Dean answered some of the funds are transferred back in from other sources. He will provide that information.

7. Fine Arts Outreach

Mr. Brent Haymond, Springville Arts Museum, introduced audience members involved with this program and Hillary Hahn, Senior Director of Educational Gifts, Utah Symphony & Opera. He expressed gratitude to the committee for their past support. He reviewed [Fine Arts Outreach - POPS 2016](#) program and discussed the FY 2017 the funding request for the \$500,000 to be ongoing. He asked for to have a motion brought forward requesting \$450,000 for one-time.

Chair Eliason indicated that there would not be a need for a motion in order to increase funds in this area. Chair Eliason made the request of staff to handle this item internally.

Sen. Thatcher mentioned the positive effect these programs have on students in Utah.

8. Utah School Board Association Budget Priorities

Mr. Ray Terry, Beaver County School District Superintendent (President of Utah Superintendent's Association); Ms. Nancy Kennedy, Box Elder School District Board member (President of Utah School Boards Association); and Mr. Martin Bates, Granite School District Superintendent (Vice President of Superintendent's Association) discussed the [UEA Issue Brief - FY 2016 Public Education Funding](#) with three budget priorities: 1) fully fund growth; 2) fund a minimum WPU increase of 4.5 percent; and 3) out of that 4.5 percent a minimum of 2.5 percent to fund outgoing costs and 2 percent for retention and recruitment of teachers. They would also support other priorities listed in [UEA Above Versus Below the Line](#) handouts. Mr. Terry mentioned the increases in employee insurance.

Ms. Kennedy spoke of the three strategic investments identified by the Utah School Board Association. Mr. Bates discussed the current enrollment and graduation rate increases. He mentioned the demand to increase teacher salaries in order to retain high quality teachers. They reported losing many quality teachers to neighboring states. He mentioned that the starting salary for teachers in Nevada is over \$40,000 with a \$5,000 signing bonus. Mr. Terry mentioned that Nevada also funds the teacher's education.

Pres. Niederhauser asked how Beaver funded the 1:1 ratio of electronic devices dedicated to each student. Mr. Terry indicated that utilizing all electronic textbooks was one funding source and moved other budget items around to make this a priority. Pres. Niederhauser mentioned that Capital Funds are restricted and asked if any WPU money had been used to reach this goal. Mr. Terry indicated that by readjusting staffing, they did use part of the WPU for this, they also utilized the technology and infrastructure budgets.

Pres. Niederhauser asked how Granite deals with its technology needs. Mr. Bates indicated that they do use some WPU money, but most of their technology needs are funded by a board-voted levy. He mentioned they learned through a grant earned three years ago that just putting an electronic device in each student's hand did not improve test scores. Other pilot programs have using the new technology much more effectively.

Pres. Niederhauser asked for information regarding individual districts and how they use the WPU and whether increased flexibility regarding the levies. He asked if districts are forced to build new buildings because of the current statutes and if the increases in WPU would be used for much needed teacher salary increases.

Mr. Bates indicated that much of the WPU would have to be used for teacher salaries. He mentioned the great need for teachers in the state. Mr. Terry, Ms. Kennedy, and Mr. Bates responded that they would be supportive of more leeway to allow districts regarding the management of the funds.

9. Special Education Intensive Services

Ms. Jan Ferre, Education Chair, Legislative Coalition for People with Disabilities spoke of the ongoing need for continued funding of these programs. Ms. Ferre introduced her guest Suzanne Reber, a mother of a disabled child, who expressed her strong feelings of the need for ongoing financial support of this program.

MOTION: Rep. Fawson made a motion to adjourn. The motion passed unanimously. Co-Chair Eliason adjourned the meeting at 10:57 a.m.